

CLAIMS

1. A method for providing a commodity offer price to a buyer,
comprising:
5 receiving an offer to sell a commodity according to a predetermined
contract at a specified price;
adjusting the specified price based on shipping costs; and
transferring the adjusted price to the buyer over a computer network for
displaying by a remote client.

10 2. The method of claim 1, wherein the step of adjusting includes:
adding the shipping costs to the specified price to produce the adjusted
price.

15 3. The method of claim 1, further comprising:
receiving a shipping destination from the buyer;
receiving a shipping origin from the seller;
computing the shipping costs as a function of the distance between of the
shipping destination and shipping origin; and
20 adding the shipping costs to the specified price to produce the adjusted
price.

4. A method for providing a bid to a seller, comprising:
receiving a bid to purchase a commodity according to a predetermined contract;

discounting the bid based on shipping costs; and

5 transferring the discounted bid to the seller over a computer network for displaying by a remote terminal.

5. The method of claim 4, wherein the step of discounting includes:
subtracting the shipping costs from the bid to produce the discounted bid.

6. The method of claim 4, further comprising:

receiving a shipping destination from the buyer;

receiving a shipping origin from the seller;

determining the shipping costs based on the shipping destination and

15 shipping origin; and

subtracting the shipping costs from the bid to produce the discounted bid.

7. A method of providing a best bid and a best offer to a buyer, comprising:

receiving one or more offers to sell a commodity according to a predetermined contract at one or more specified prices;

5 adjusting the specified prices based on shipping costs associated with a destination specified by the buyer;

determining a best offer from the adjusted prices;

determining a source location corresponding to the best offer price;

receiving one or more bids to purchase the commodity;

10 determining a best bid corresponding to the source location;

adjusting the best bid based on the shipping cost between the source location and the destination; and

transferring the adjusted best bid and the best offer to the buyer over a computer network for display by a networked host.

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8. The method of claim 7, further comprising:

computing the shipping cost as a function of the distance between the destination and the source location.

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9. The method of claim 7, further comprising:

computing the shipping cost as a function of a predetermined freight matrix.

10. A method of providing a best bid and a best offer to a seller, comprising:

receiving one or more bids to purchase a commodity according to a predetermined contract;

5 adjusting the bids based on shipping costs associated with a source location specified by the seller;

determining a best bid from the adjusted bids;

determining a shipping destination corresponding to the best bid;

receiving one or more offers to sell the commodity;

10 determining a best offer corresponding to the shipping destination;

adjusting the best offer based on the shipping cost between the source location and the shipping destination; and

transferring the adjusted best offer and the best bid to the seller over a computer network.

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11. The method of claim 10, further comprising:

computing the shipping cost as a function of the distance between the destination and the source location.

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12. The method of claim 10, further comprising:

computing the shipping cost as a function of a predetermined freight matrix.

13. A system for exchanging commodities, comprising:

means for permitting a seller to enter an offer for selling a commodity according to a predetermined contract;

5 means for permitting a buyer to enter a bid for purchasing the commodity;

means for matching the bid to the offer to generate a transaction;

means for notifying a transportation partner of the transaction so that the transportation partner can arrange pick-up and delivery of the commodity; and

10 means for notifying a credit clearinghouse of the transaction so that the clearinghouse can arrange to receive payment from buyer and make payment to the seller.

14. An exchange system, comprising:

15 a buyer interface for displaying a menu for selecting a shipping destination and for displaying a table identifying one or more commodity contracts and corresponding buyer market prices for the commodity contracts, the buyer market prices being adjusted based on the shipping destination; and

20 a seller interface for displaying a menu for selecting a shipping origination and for displaying a table identifying the commodity contracts and corresponding seller market prices for the commodity contracts, the seller market prices being adjusted based on the shipping origination.

25 15. The exchange system of claim 14, wherein at least one of the buyer market prices comprising a best offer and a best bid.

16. The exchange system of claim 14, wherein the best offer is computed by adding to one or more offers the cost of shipping between a respective shipping origin and the shipping destination, whereby generating one or more adjusted offers, and then selecting the lowest adjusted offer to be the best offer.

17. The exchange system of claim 14, wherein the best bid is computed by determining a shipping origin corresponding to a best offer, determining a highest bid available to a seller at the shipping origin, and adjusting the highest bid based on the shipping cost between the shipping origin and the shipping destination to get the best bid.

18. The exchange system of claim 14, wherein each of the seller market prices comprising a best offer and a best bid.

19. The exchange system of claim 18, wherein the best bid is computed by subtracting from one or more bids the cost of shipping between a respective shipping destination and a shipping origin, whereby generating one or more adjusted bids, and then selecting the lowest adjusted bid to be the best bid.

20. The exchange system of claim 18, wherein the best offer is computed by determining the shipping destination corresponding to a best bid, determining a lowest offer available to a buyer at the shipping destination, and adjusting the lowest offer based on the shipping cost between the shipping origin and the shipping destination to get the best offer.

21. The exchange system of claim 14, further comprising:

a seller order entry interface, operatively associated with the seller interface, permitting a seller to enter an offer for selling a commodity according to a predetermined contract; and

5 a buyer order entry screen, operatively associated with the seller interface, permitting a buyer to enter a bid for purchasing the commodity.

22. The exchange system of claim 21, further comprising:

10 a transaction generator, operatively associated with the seller order and buyer order interfaces, for matching the bid to the offer to generate a transaction.

23. The exchange system of claim 22, further comprising:

15 a delivery interface, operatively associated with the transaction generator, for notifying a transportation partner of the transaction so that the transportation partner can arrange pick-up and delivery of the commodity.

24. The system of claim 22, further comprising:

20 a finance interface, operatively associated with the transaction generator, for notifying a credit clearinghouse of the transaction so that the clearinghouse can arrange to receive payment from buyer and make payment to the seller.

25. The system of claim 14, further comprising:

25 a login interface permitting a user to login to the system as a buyer or a seller, the login interface causing either the buyer interface or the seller interface to be displayed to the user.

26. A computer-usable medium storing a computer program,
comprising:

means for displaying a menu for selecting a shipping destination;

5 means for displaying one or more commodity contracts and corresponding
buyer market prices for the commodity contracts, the buyer market prices being
adjusted based on the shipping destination;

means for displaying a menu for selecting a shipping origination; and

10 means for displaying the commodity contracts and corresponding seller
market prices for the commodity contracts, the seller market prices being
adjusted based on the shipping origination.

27. A computer-based system, comprising:

a buyer screen for displaying a menu for selecting a shipping destination and for identifying one or more commodity contracts and corresponding buyer market prices for the commodity contracts, each of the buyer market prices
5 comprising a best offer and a best bid, wherein the best offer is computed by adding to one or more offers the cost of shipping between a respective shipping origin and the shipping destination, whereby generating one or more adjusted offers, and then selecting the lowest adjusted offer to be the best offer, wherein the best bid is computed by determining the shipping origin corresponding to the
10 best offer, determining a highest bid available to a seller at the shipping origin, and adjusting the highest bid based on the shipping cost between the shipping origin and the shipping destination to get the best bid;

a seller screen for displaying a menu for selecting a shipping origin and for identifying the commodity contracts and corresponding seller market prices
15 for the commodity contracts, each of the seller market prices comprising a best offer and a best bid, wherein the best bid is computed by subtracting from one or more bids the cost of shipping between a respective shipping destination and the shipping origin, whereby generating one or more adjusted bids, and then selecting the lowest adjusted bid to be the best bid, wherein the best offer is
20 computed by determining the shipping destination corresponding to the best bid, determining a lowest offer available to a buyer at the shipping destination, and adjusting the lowest offer based on the shipping cost between the shipping origin and the shipping destination to get the best offer;

a seller order entry screen for permitting a seller to enter an offer for
25 selling a commodity according to a predetermined contract;

a buyer order entry screen for permitting a buyer to enter a bid for purchasing the commodity; and

an exchange engine for matching the bid to the offer to generate a transaction.

28. The system of claim 27, further comprising:

5 a delivery interface for notifying a transportation partner of the transaction so that the transportation partner can arrange pick-up and delivery of the commodity.

29. The system of claim 27, further comprising:

10 a finance interface for notifying a credit clearinghouse of the transaction so that the clearinghouse can arrange to receive payment from buyer and make payment to the seller.

30. The system of claim 27, further comprising:

15 a login interface permitting a user to login to the system as a buyer or a seller, the login interface causing either the buyer screen or the seller screen to be displayed to the user.